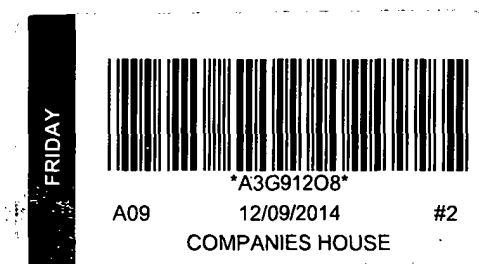


MENLO INVESTMENTS LIMITED

**Report and Financial Statements
For the year ended 31 December 2013**



REGISTERED NUMBER IN ENGLAND & WALES: 3479178

MENLO INVESTMENTS LIMITED
Registered Number in England & Wales: 3479178

DIRECTORS' REPORT
For the year ended 31 December 2013

The directors present their annual report together with the audited financial statements for the year ended 31 December 2013.

Review of business and future outlook

The principal activity of the Company is to act as an investment company. No significant change in this activity is envisaged in the foreseeable future and the directors expect the company's performance to be in line with the current year.

The directors have reviewed the Company's business and performance and consider it to be satisfactory for the year. The directors consider that the Company's position at the end of the year is consistent with the size and complexity of the business.

Given the nature of the business, the Company's directors are of the opinion that analysis using key performance indicators (KPIs) is not necessary for an understanding of the development, performance or position of the business.

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of Barclays Plc, which include those of the company, are discussed in the Group's annual report which does not form part of this report.

Results and Dividends

During the year the Company made a profit of £2,400 (2012: loss of £1,895). The directors did not declare interim dividends for 2013 (2012: £nil). The directors consider that the performance of the Company has been satisfactory during the year.

Going Concern

After reviewing the Company's performance and taking into account the support from Barclays Bank Plc, the directors are satisfied that the Company has adequate access to resources to enable them to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing these financial statements.

Derivatives and financial instruments

The Company's directors operate within the requirements of the Barclays Group risk management policies, which include specific guidelines on the management of foreign exchange, credit and interest rate risks and advise on the use of financial instruments to manage them. Barclays Group risk management policies can be found in the financial statements of Barclays Bank PLC.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

DIRECTORS' REPORT

For the year ended 31 December 2012 (continued)

Directors

The directors of the Company, who served during the year, together with their dates of appointment and resignation, where appropriate, are as shown below:

G Clark.

B Hill

R Craine (appointed 08 April 2013)

C Gyte (appointed 24 September 2013)

J Huckle (appointed 24 September 2013)

P Dickinson (resigned 13 August 2013)

M Brown (resigned 8 April 2013)

T Morjaria (appointed 08 April 2013 resigned 12 September 2013)

Directors' third party indemnity provisions

Qualifying third-party indemnity provisions were in force during the course of the financial year ended 31st December 2013 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties/powers of office.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

DIRECTORS' REPORT

For the year ended 31 December 2013 (continued)

Statement of Directors' Responsibilities (continued)

In accordance with Section 418, each director in office at the date the directors' report is approved, confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers LLP will continue to hold office in accordance with section 487 of the Companies Act 2006.

ON BEHALF OF THE BOARD



Director

Name: R. Craie

Date 27.06.2014.

For and on behalf of

Menlo Investments Limited

STRATEGIC REPORT
For the year ended 31 December 2013

Review and principal activities

The principal activity of the Company is to act as an investment company. No significant change in this activity is envisaged in the foreseeable future. The directors expect the Company's performance to be in line with the current year.

Business performance

The results of the Company show a profit of £2,400 (2012: loss of £1,895) for the year. The Company had net liabilities of £109,813 (2012: liabilities of £112,213) as at 31 December 2013.

The directors have reviewed the Company's business and performance and consider it to be satisfactory for the year. The directors consider that the Company's position at the end of the year is consistent with the size and complexity of the business.

Principal risks and uncertainties

The directors of the Company have established processes and controls to identify and manage the principal risks and uncertainties. These are primarily around effective investment selection and structuring; documenting of investor protection rights; and on-going tracking of performance within the investment portfolio. These risks are managed by an appropriate investment valuations process, regular portfolio reviews and through the use of investor protection rights

These risks are formally reviewed by the Directors and appropriate processes put in place to monitor and mitigate them.

Key performance indicators

The directors of Barclays PLC manage the group's operations on a business cluster basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Company, is discussed in the Barclays PLC annual report which does not form part of this report.

ON BEHALF OF THE BOARD



Director

Name: R. Craine

Date: 27.06.2014

For and on behalf of

Menlo Investments Limited

Independent auditors' report to the members of Menlo Investments Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Menlo Investments Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Carl Sizer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 June 2014

MENLO INVESTMENTS LIMITED
Registered Number in England & Wales: 3479178

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
Fees receivable	4	6,133	-
Interest payable and similar charges	5	(3,006)	(2,510)
Profit/(loss) on ordinary activities before taxation	6	3,127	(2,510)
Tax on profit/(loss) on ordinary activities	7	(727)	615
Profit/(loss) for the financial year		2,400	(1,895)

All recognised gains/(losses) are included in the profit and loss account. Results are derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes to the financial statements form an integral part of these financial statements.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

BALANCE SHEET AS AT 31 DECEMBER 2013

	Note	2013 £	2012 £
FIXED ASSET INVESTMENTS	8	501,507	501,507
CURRENT ASSETS			
CURRENT ASSET INVESTMENTS	9	393,060,752	393,060,752
Cash at bank and in hand		8,940	2,089
DEBTORS	10	-	877
CREDITORS: Amounts falling due within one year	11	(393,681,012)	(393,677,438)
NET CURRENT LIABILITIES		(611,320)	(613,720)
NET LIABILITIES		(109,813)	(112,213)
CAPITAL AND RESERVES			
Called up share capital	12	100,000	100,000
Profit and loss account		(209,813)	(212,213)
TOTAL SHAREHOLDERS' FUNDS	13	(109,813)	(112,213)

A reconciliation of movement in shareholders' funds is given in note 13.

The notes 1 to 16 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 27 June 2014 and were signed on its behalf by:

Director

Name:

Date

R. Craine

27.06.2014.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006, UK GAAP, and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of preparation

After reviewing the Company's performance and taking into account the support from Barclays Bank Plc, the directors are satisfied that the Company has adequate access to resources to enable them to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing these financial statements.

Interest

Interest income and expense is recognised on an accruals basis.

Foreign Exchange

Monetary assets and liabilities in foreign currencies are translated into Pound sterling at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Trading results denominated in foreign currencies are translated into Pound sterling at average rates of exchange during the year unless a contracted rate applied. All exchange differences are included in the profit and loss account.

Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred. Deferred taxation is recognised on timing differences arising between the treatment of certain items for taxation and accounting purposes.

Investments in subsidiaries

Investments in ordinary shares in subsidiaries are accounted for as fixed assets while the investments in preference shares are accounted for as current assets investment. The preference shares owned by the Company do not have any voting rights and are redeemable at the option of the Company or the issuer on at least one business day's notice. The fixed assets investments are stated at cost less any permanent diminution in value and the current assets investments are measured as the lower of net realizable value and recoverable amount.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Preference shares issued and borrowings

The liability in respect of the redeemable preference shares issued by the Company has been classified as creditors falling due within one year in line with the Company policy because there is an obligation to deliver cash or another financial asset to the holder. The discretionary nature of redeemable preference share distributions results in them being classified as dividends paid in accordance with FRS 25.

Borrowings refer to loans and advances entered into and Class E preference shares issued by the Company. They are recognised as a liability when a contractual agreement results in the Company having a present obligation to deliver cash or another financial asset to the holder. The liability is initially recognised at cost with borrowing costs accrued and charged as an expense to the profit and loss in the period in which they are incurred. Borrowing costs are charged as an expense to the profit and loss account in the period in which they are incurred.

Consolidated financial statements

The financial statements contain information about Menlo Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Barclays PLC, a company registered in England and Wales.

2. CASH FLOW STATEMENT

The Company's ultimate holding company, Barclays PLC, prepares consolidated financial statements which are publically available. Accordingly the Company, which is a wholly owned subsidiary of Barclays PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

3. DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the Company during 2013 or 2012.

4. FEES RECEIVABLE

	2013 £	2012 £
Fees receivable from group undertakings	6,133	-
	<u>6,133</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Interest payable to group undertakings	3,006	2,510
	<u>3,006</u>	<u>2,510</u>

6. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

There were no employees employed by the Company during 2013 or 2012. The audit fee is borne by another group entity. The fee that would otherwise have been charged to the Company amounts to £2,550 (2012: £2,550) for the year. This fee is not recognised as an expense in the financial statements.

7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2013 £	2012 £
UK Corporation Tax (charge)/credit	(727)	615
Tax (charge)/credit on profit on ordinary activities	<u>(727)</u>	<u>615</u>

The UK corporation tax charge is based on the UK corporation tax rate of 23.25% (year ended 31 December 2012: 24.5%), arising from the change in the UK corporation tax rate from 24% to 23%, effective from 1 April 2013.

	2013 £	2012 £
Profit/(loss) on ordinary activities before taxation	3,127	(2,510)
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(727)	615
Current tax (charge)/credit for the year	<u>(727)</u>	<u>615</u>

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

NOTES TO THE FINANCIAL STATEMENTS (continued)**8. FIXED ASSETS INVESTMENTS**

	2013 £	2012 £
Cost at 1 January	501,507	501,507
Cost at 31 December	<u>501,507</u>	<u>501,507</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets. Investment in subsidiary undertakings represents the ordinary shares of the Company's subsidiaries Bramley Landing Limited, Core Investments (Cayman) Limited, and Pippin Island Investments Limited. The share holdings of these entities are detailed below:

Subsidiary undertaking	Country of incorporation	Country of Operation	Principal activity	Equity capital held
Bramley Landing Limited	Cayman Island	United Kingdom	Investment company	100%
Core Investments (Cayman) Limited	Cayman Island	United Kingdom	Investment company	100%
Pippin Island Investments Limited	Cayman Island	United Kingdom	Investment company	100%

In the opinion of the directors, the value of the Company's investments in its subsidiary undertakings is not less than the amount stated in the balance sheet.

9. CURRENT ASSETS INVESTMENTS

	2013 £	2012 £
Preference shares held in Bramley Landing Limited	391,680,105	391,680,105
Preference shares held in Core Investments (Cayman) Limited	1,380,647	1,380,647
Cost at 31 December	<u>393,060,752</u>	<u>393,060,752</u>

The Company owns 15.2% of the £0.01 Redeemable Preference Shares of Bramley Landing Limited and 100% of the Preference Shares of Core Investments (Cayman) Limited.

All of the preference shares owned by the Company do not have any voting rights and are redeemable at par at the option of the Company or the issuer on at least one business day's notice. Dividends on the preference shares are payable at the discretion of the issuer.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

NOTES TO THE FINANCIAL STATEMENTS (continued)**10. DEBTORS**

	2013 £	2012 £
Group relief receivable	-	877
	<u>-</u>	<u>877</u>

11. CREDITORS: Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	215,298	212,189
Group relief payable	465	-
Preference shares	393,465,249	393,465,249
	<u>393,681,012</u>	<u>393,677,438</u>

Preference Share Capital	2013 £	2012 £
Authorised:		
400,100,000 redeemable preference shares of £1 each	400,100,000	400,100,000
Allotted and fully paid:		
393,465,249 redeemable preference shares of £1 each	393,465,249	393,465,249

The preference shares have no voting rights attached to them and are redeemable at par at the option of the company or the preference shareholder at any time on at least one business day's notice. Dividends on the preference shares are payable at the discretion of the Company's directors. The preference shares have preferential liquidation entitlement of their original subscription price plus any declared but unpaid dividends.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

12. CALLED UP SHARE CAPITAL

	2013 £	2012 £
Authorised: 28,000,000 ordinary shares of £1 each	28,000,000	28,000,000
Allotted and fully paid: 100,000 ordinary shares of £1 each	100,000	100,000

Dividends on the ordinary shares are payable at the discretion of the Company's directors.

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit for the financial year	2,400	(1,895)
Increase in shareholders' funds	2,400	(1,895)
Opening shareholders' funds	(112,213)	(110,318)
Closing shareholders' funds	(109,813)	(112,213)

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays PLC, the consolidated financial statements of which are publicly available. There have been no other transactions with related parties requiring disclosure during the year (2012: none) other than those reported in the financial statements.

15. PARENT UNDERTAKING AND ULTIMATE HOLDING COMPANY

The immediate parent company is Barclays Group Holdings Limited. The parent undertaking of the smallest group that presents group financial statements is Barclays Bank PLC. The ultimate parent company and controlling party is Barclays PLC, which is the parent company of the largest group that presents group financial statements. Barclays Bank PLC's and Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.

MENLO INVESTMENTS LIMITED

Registered Number in England & Wales: 3479178

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. POST BALANCE SHEET EVENTS

On 17 March 2014 Bramley Landing Limited ("Bramley") redeemed 391,680,105 redeemable preference shares held by the Company, for an aggregate amount of £391,680,105. Bramley also paid the Company a dividend in an aggregate amount of £11,339,723.68.

On 17 March 2014 Core Investments (Cayman) Limited ("Core") repurchased 1,785,144 held by the company, for an aggregate repurchase price of £1,624,399.21 payable to the Company. The Core Preference Share Repurchase was less than the amount paid up by the Company in respect of the Core Preference Shares, but that this was consistent with the maximum amount which Core could prudently and lawfully pay to the Company.

In anticipation of the liquidation of Core, the Company surrendered 249,999 of the Core Ordinary Shares to Core for no consideration

The Company reduced £393,465,249 preference share issued to BBPLC by way of capital reduction issued at an aggregate price of £393,465,249.